

**PAROWAN CITY COUNCIL MEETING
JANUARY 22, 2015
LIBRARY LOUNGE, 16 SOUTH MAIN, 6:00 P.M.**

MEMBERS PRESENT: Mayor Donald G. Landes, Councilmen Alan Adams, Ben Johnson, Steve Thayer, Steve Weston, City Attorney Justin Wayment, City Manager Shayne Scott, City Recorder Callie Bassett

MEMBERS ABSENT: Councilman Troy Houston

PUBLIC PRESENT: Chuck and Dottie Stade, Jesse Ralphs (Sunrise Engineering), Katie Lister, Donna Putich, Chief Carpenter (Parowan PD), Stacy Carpenter, Karen Hart, Dennis Gaede, Don and Linda Lowder, David Jacobsen (BLM)

1. CALL MEETING TO ORDER: Mayor Landes called the meeting to order at 6:00 p.m.

2. OPENING CEREMONIES/THOUGHT/PRAYER – STEVE THAYER:
Councilman Steve Thayer offered the invocation. He then led the Council and the public in the Pledge of Allegiance.

3. DOES ANYBODY HAVE ANY CONFLICTS OR PERSONAL INTEREST IN ANY MATTER ON THE AGENDA WHICH NEEDS TO BE DECLARED?
Councilman Adams declared a conflict with the Center Creek Hydro Pipe Crossing and also the Iron County Ambulance Service. His twin brother is an Iron County Commissioner.

CONSENT MEETING

4. APPROVAL OF MINUTES (January 8, 2015 City Council Meeting and December 23, 2014 Council Goal/Strategy Session)

5. PURCHASE ORDERS/WARRANT REGISTER

6. JESSE SMITH, SHADE TREE COMMITTEE

Councilman Weston moved to approve the consent agenda. Councilman Johnson seconded the motion with all Council members voting in favor of the motion. The motion was carried.

PO # 857	Hughes Supply	\$3,600.00
PO # 889	Waxie Sanitation	\$4,025.60
PO # 890	Lexipol, LLC	\$1,950.00
PO # 891	Color Country Diesel	\$4,336.60

ACTION MEETING

7. PAROWAN CITY GOALS – 2015: These goals were presented at the last Council meeting. Mr. Scott said they have been tweaked just a little bit. He highlighted the goals that have financial commitments and he tried to prioritize them a little. Councilman Weston commented that he thinks this will be a living document. Councilman Adams added that they will be working on more than one goal at a time.

Councilman Adams moved to approve the Parowan City Goals for 2015. Councilman Thayer seconded the motion. The Mayor called for any discussion. Councilman Weston asked how often these will be reviewed. Mr. Scott said these should be reviewed every quarter. After no further discussion, all Council members voted in favor of the motion. The motion carried.

8. IMPACT FEE CREDITS LETTER FROM MR. KEN ALLEN: Mr. Scott said that he added a fourth bullet point clarifying that the impact fee credits are for impact fees only and not connection fees. Mr. Scott said that Mr. Allen has read the letter and is good with the letter. Councilman Adams asked if the impact fee credits are good for five years. Mr. Scott said this is correct.

Councilman Weston moved to approve the Impact Fee Credits Letter and send it to Mr. Ken Allen. Councilman Adams seconded the motion. Hearing no further discussion, all Council members voted in favor of the motion. The motion carried.

9. SEWER SYSTEM MANAGEMENT PLAN:

Mr. Scott said this was discussed last time with Mr. Aldo Biasi. No changes have been made to the document.

Councilman Thayer moved to approve the Sewer System Management Plan. Councilman Johnson seconded the motion. Hearing no further discussion, all Council members voted in favor of the motion. The motion carried.

10. TRAILS MASTER PLAN RFQ – TARP COMMITTEE RECOMMENDATION:

Mr. Scott is looking to the Council for guidance on this issue. TARP held a meeting and it wasn't very well attended. They weren't able to get a recommendation from the committee. Mr. Scott said we have talked to the committee members and they are willing to serve. We will get that committee back up and operational. The problem is he would like to move forward with this trails master plan. He doesn't feel we can wait on this and is asking the Council to look at these Trails Master Plan proposals and score them, or we can have staff score the proposals.

Councilman Weston asked who is on the trails committee from the Council. Mr. Scott said Councilman Houston is the council rep for this committee. Councilman Johnson asked who is active on the trails committee. He said if Mr. Scott and Councilman

Houston scored the proposals, if there was a third that would be helpful. Mr. Scott said that Mrs. Callie Bassett is the secretary for this committee. She read through the proposals and scored them. Councilman Weston asked about adding more members to the committee. Mr. Scott said he wanted to run the names by the committee, but because no one came to the meeting, they weren't able to approve those. Councilman Weston suggested adding Mr. Scott Cecil to the list of potential members.

Councilman Johnson asked, with Mr. Scott and Mrs. Bassett scoring the proposals already, if Councilman Houston could score them and then possibly ask Mrs. Johnson or Mr. Townsend to score those proposals this week. He thinks having the proposals go through the committee makes more sense than having the Council do it.

Councilman Thayer asked roughly where the trail systems are being proposed. Mr. Scott said this is completely open to further clarification or discussion, but a couple of years ago there was a design charrette done by Utah State University students in the area and they identified some areas that might make sense for trails. We started with that, but Mr. Scott said he would like to see the trails committee be very involved in walking the consultant through this process. Councilman Thayer said he knows of a couple of existing trails and asked if part of the idea is to improve these and/or advertise them better. Mr. Scott said part of the process is to get the BLM to recognize trails on their end and get them on their maps, for example the trail on the P-Hill.

No motion is required on this agenda item this evening.

11. HR MANUAL CHANGE REGARDING WORKERS COMPENSATION

MEDICAL FACILITY: This is simply a request that if an employee is injured on the job and it's not serious in nature that they ask the Worker's Comp people what facility to go to for treatment.

Councilman Johnson moved to approve the HR Manual Change Regarding Workers Compensation Medical Facility. Councilman Adams seconded the motion. There was no further discussion. All Council members voted in favor of the motion. The motion carried.

12. CENTER CREEK HYDRO PLANT CONSTRUCTION – NOTICE OF

AWARD: Jesse Ralphs presented the bid tabulations on the Center Creek Hydro Plant Construction. This is for the modifications to the power plant itself. The bids came in higher than the estimate. Blackburn and Associates was the low bid at \$319,000. They propose to use Mesquite Electric for the electric work on the building.

There was an experience requirement in the bid. They have a lot of experience installing large mechanical equipment, but they haven't done a turbine generator system before. Because of this, Sunrise has contacted Blackburn and requested that they commit to hiring a millwright when they install the turbine generator to get everything aligned. Blackburn has been open to this and has indicated that they have a letter to Sunrise committing to do this. It hasn't come in yet, but once that is received the notice of award

letter can be sent to them with the intent to award the contract to Blackburn and Associates.

Councilman Adams pointed out that Blackburn's bid on the power house exterior and improvements is significantly lower than the other bids. He asked if this means we are going to get a poor exterior. Mr. Ralphs said no, they have to meet the conditions of the plans and specifications just like everyone else would have. Mr. Ralphs said they suspect that they put costs for what should have gone to interior improvements on the exterior or vice versa. He said once the bid is awarded, they will sit down with Blackburn and ask them to show them where they have put their costs in these line items. If they are extremely out of place, they will ask them to switch the costs around. It won't change his bid. It will just change where he gets paid for the work. Mr. Ralphs said that Blackburn will have to meet every requirement of the contract whether he has money in that line or not.

Councilman Johnson asked Mr. Ralphs if he is comfortable with their specification and asked if they are tight enough that Blackburn will be able to deliver based on the specs and construction drawings what we are anticipating. He asked if there is a lot of room for unforeseens. Mr. Ralphs said there shouldn't be any unforeseen items. Contractors called for clarifications on certain things, and as Sunrise made those clarifications, they sent out addendums to the bid. Councilman Johnson asked if Sunrise has talked to Blackburn and they are comfortable with their numbers. Mr. Ralphs said they are.

Mr. Ralphs gave a project budget update that if this bid is awarded at this price, the contingency goes up to \$350,000. They are still comfortable with the budget.

Councilman Johnson moved to accept the Center Creek Hydro Plant Construction Notice of Award to Blackburn and Associates. Councilman Thayer seconded the motion. Councilman Adams said that this award is contingent upon receiving the letter from Blackburn that commits to using a millwright. He said this should be included in the motion. Councilman Johnson amended his motion to include the receiving the letter from Blackburn specifying the hiring and use of a millwright. There was no further discussion. All Council members voted in favor of the motion. The motion carried.

13. TRANSPORTATION RESOLUTION – RESOLUTION 2015 -01-03:

Councilman Thayer moved to accept the Transportation Resolution 2015-01-03.

Councilman Adams seconded the motion. A roll call vote was taken as follows:

	<u>Aye</u>	<u>Nay</u>	<u>Absent</u>	<u>Abstain</u>
Councilman Alan Adams	X			
Councilman Troy Houston			X	
Councilman Ben Johnson	X			
Councilman Steve Thayer	X			
Councilman Steve Weston	X			

Resolution 2015-01-03 was approved.

14. CENTER CREEK PIPE CROSSING CHANGE ORDERS: Mr. Scott said yesterday in the weekly Center Creek meeting they have been discussing the penstock pipe that crosses Hwy 143. When they first bid this project out, it was understood that this section of pipe wasn't that old, that it was in fairly good condition, and that it could stay. After further investigation, they discovered that the pipe crossing the road isn't in as good a shape as they thought. It is quite thin and the salt on the road has really hurt the pipe in that area. After a lot of discussion, they determined that this pipe needs to be replaced. They have discussed many ways to do this and found that could be very expensive – upwards of \$39,000. However, the pipe contractor found 120 feet of pipe in Texas that is the right size that they will sell and ship to us for about \$6,000. This is a great deal. It is the right size and is HDPE. This will slip into what we have now. It will cost another \$15,000 to install it. They will not have to cut the road.

Councilman Johnson asked if the price (\$15,757) is inline with what the price per foot for assembling this. Mr. Scott said for assembling it, it is. And the engineer feels good about it. There is a part that cost \$11,000 itself. There is a fitting for where the HDP and ductile iron come together.

Attorney Wayment asked what happens if the pipe doesn't fit? They took a picture of the inside and feel that it is going to fit. Councilman Johnson asked Councilman Adams if he feels comfortable with what was discussed in the meeting. He said he does.

There was continued discussion about the things discussed at the meeting, the process of installing the pipe and the costs involved.

Councilman Thayer moved to approve the Center Creek Pipe Crossing Change Orders. Councilman Johnson seconded the motion. With no further discussion all Council members voted in favor of the motion. The motion carried.

WORK MEETING

15. OLD SPANISH TRAIL SIGNS – DAVE JACOBSON, CEDAR CITY BLM:

Mr. Jacobsen is the outdoor recreation planner. Over the spring and summer they worked closely with the Old Spanish Trail Association, the Tourism Bureau and people from the County in trying to bring the Old Spanish Trail to life. They developed a recreation strategy to try to bring the trail more alive, to bring people to the trail, educate them more about the history of the trail, and to have them get off the freeway and come through our community. Part of this plan is to mark the Old Spanish Trail officially with signs made by the National Parks System, who are the administrators of this nationally designated trail.

The BLM became involved because most of the trail runs across BLM land through Iron County - from Bear Valley to New Castle. Here in Parowan we would have a few signs. The route they are trying to bring people to is a motorized route. If they were on I-15 they could get off in Paragonah and follow it all the way into Summit and Enoch. If they

wanted to follow it all the way to New Castle, they could if they had a high clearance vehicle. The BLM is looking for permission to put signs up in Parowan.

Councilman Johnson said that Main Street requires UDOT permission. Attorney Wayment said that permission to put signs on the scenic byway could be tricky. They are single pole signs, and they would want permission to make them smaller than they usually make them. There will be 6 signs in Parowan. Mr. Jacobsen asked who he should work with when they do get permission. The Mayor gave him Mr. Scott's name.

16. IRON COUNTY AMBULANCE DISCUSSION: Mayor Landes said that the County Commissioners are looking at privatizing the ambulance service. They aren't willing to consider having the Sheriff's department operate the ambulance service any longer. The Commissioners have asked the Mayors if they are willing to pick up the tab for all of it. They have given them a proposal of about \$300,000/year. \$150,000 would go to overrun costs that they have every year. The other \$150,000 would go to repayment of the past debt. The County is calling this depreciation.

Three companies have bid on the assets for the ambulance service. They are looking at Gold Cross. They bid approximately \$1,100,000. This includes the ambulance buildings in Parowan and Cedar City, the ambulances and all of the equipment. Mayor Landes said part of his problem is that the other Mayors in the area are very unhappy. He has spoken with Mayors who are very unhappy with the service they receive from Gold Cross. Mayor Bracken from Enterprise asked the Commissioners how they expect a private company to do what a municipality cannot do without reducing the service. Mayor Landes said this is basically what will happen, at least to some degree.

Chief Carpenter reported that Jody Edwards, Iron County Sheriff, and Ty March came and spoke to him the other day. They told him he's heard that Gold Cross is proposing that law enforcement respond to medical calls along with Gold Cross. In critical incidents, rather than their driver driving back, the two EMTs would attend to the patient in the back of the ambulance, and an officer would drive the ambulance to the hospital. This would remove 100% coverage away from Parowan City for the entire time the ambulance is at the hospital. Chief Carpenter said it isn't going to be Gold Cross who looks like the problem if an officer refuses to drive the ambulance. If there is a Parowan City resident who has a family member in critical condition and our officer says he can't drive because he has to cover Parowan City, Gold Cross's response is going to be are you going to let this patient die because you are unwilling to drive the ambulance. This puts the liability on us instead of where it belongs with Gold Cross. Also, the money that the City pays to have that officer drive the ambulance goes is profit going back into the owner and investors of Gold Cross. These are critical concerns to Chief Carpenter.

Councilman Adams asked if this is really true. Chief Carpenter said he didn't know for sure. Councilman Adams asked if we can really base decisions on something that may or may not be true. He said he can see that this would be a big concern, but Jody Edwards is the one taking the hit here. Chief Carpenter said that no one has been forthcoming with the Police Departments to tell them what the expectations are. If it is true, then an on call

officer would have to come in for the officer driving the ambulance. This would be over time hours and would drive the City's costs up.

Councilman Johnson said he recognizes there is a problem. He said the private sector does a better job than the government can in many things. However, when it comes to critical care items like this, he thinks there are some major challenges. He said part of his concern is that companies like Gold Cross and other private entities are being evaluated in larger cities and higher metropolitan areas. He is concerned for the rural areas. He said when we get into a scenario that is profit driven, no matter how you role the dice the profits are not coming in from these rural areas. We become a burden on that private entity. As a government agency, they understand those burdens and they deal with that. There's sometimes when it is best for government agencies to handle things, and there are some times when it is better for private entities to handle things.

Councilman Johnson said that even if they stage four ambulances throughout the county, there will be times when Parowan doesn't have coverage. Chief Carpenter said that Parowan has the second highest number of runs in the county (behind Cedar City) due to the age of our population. The interstate plays a part in those calls as well.

Councilman Johnson said he doesn't have a good answer, but he still has some major concerns. Councilman Adams said this isn't easy. Councilman Weston said these kind of things need to be addressed and passed on to the Commissioners so they can make a good decision. Councilman Adams thinks the Commissioners have thrown this out to the Mayors because they are struggling with this decision. But it is their decision to make. Councilman Weston said their decision could have a huge impact on Parowan.

Councilman Thayer asked if the County has tried to hire an independent manager of some sort to try to analyze the system and why they have lost so much money. Mayor Landes said that they have. Councilman Thayer said he knows that part of the problem is they are having trouble collecting their accounts receivable. He asked if Gold Cross was hired what are some of the first things they would cut. Councilman Johnson asked why can't the County make those cuts and cut that cost.

Mayor Landes said that typically private business does things more efficiently because there is a profit motive they have to make and if they don't they go out of business. When you start talking about police department, fire department, health and safety, these are things where government is expected to be involved with and there is a cost. It bothers him that the Commissioners are looking more at cost than they are at how their decision is going to affect the people in this community. Mayor Landes said the Sheriff's department has made three different proposals to the County that would reduce costs. Councilman Adams pointed out that the email they all received state that the County Commissioners have lost faith in the Iron County Sheriff's Department.

Chief Carpenter said there is no question that there are a lot of areas that the costs of the Iron County ambulance can be cut. He said it is important to understand that the employees on those rescue vehicles that go out before the ambulance are the paramedics.

The reason they are on the rescue vehicles is so that they can get paramedic care to the critical patient as quickly as possible. Then the transport comes. Because of this, we probably have the best ambulance service in the state right now. Councilman Johnson pointed out that the paramedics are not always the first on the scene. Chief Carpenter said that there are times when they are not first, but most of the time they are. He said the quality of the care buys the cost of the care. This is one of the things the Commissioners need to consider. There is no question in his mind that if they get rid of Iron County Ambulance and hire Gold Cross, the quality of care will be diminished greatly.

Councilman Thayer said he would rather see Iron County keep the ambulance service and have them try to cut some of the fat than turn the service over to Gold Cross. Councilman Adams asked Councilman Thayer if he is willing to give the Commissioners \$18,000 for that wish. Attorney Wayment said he is not willing to pay on their past debt, but would be willing to pay the \$9,000 and take care of the future. He suggested that the County hire someone to run the service for the next year, and the communities could help support that and see if it works outside of the Sheriff's department.

Councilman Johnson said he is concerned that they are putting this cost back to the cities without having a good business plan to move forward. What they are saying to the communities is they either hire Gold Cross or the communities pay into this culture of entitlement they've got within their division to be able to support it. This is ridiculous in his mind. If they could come up with a good business plan that had a method and an order to move forward that was appropriate, he feels that would make this a totally different discussion.

Attorney Wayment pointed out that with the payment schedule the County has put forth they are allowing the unincorporated areas of Iron County to put all of the debt on the cities with no risks to themselves. He said there should be the same amount of risk in the unincorporated area. He also said the County should turn the bad debt over to a collection agency and see what they can recover. Councilman Johnson said that Gold Cross is currently doing the billing for Iron County. This seems to be a conflict of interests, or at least part of the problem.

Councilman Johnson said that we should ask the commissioners how this change is going to affect the rural areas. Chief Carpenter added that part of the reason his officers have taken the EMT course is so they can respond to calls in a timely manner.

Mayor Landes said they have a meeting with the County Commissioners on February 5, 2015. At this meeting, the Commissioners want a response to their proposal. Councilman Johnson said his thought process is with that \$18,000 that they are asking Parowan to pay, they are simply saying to put money back in and not to fix the problem. He said they have given us Gold Cross as an option, or leaving it exactly how it is as an option. He said we need something more in the middle to compare against Gold Cross. They need a good business plan, to get rid of paying for the old debt and to get someone else to do the billing. To commit \$18,000 to keeping it sinking isn't a viable option.

Councilman Weston said that the email that was sent was completely biased. He said we do need to look at other options. The general consensus of the Council is that they want the Commission to come up with a better plan. Councilman Adams said he needs to abstain from being part of the general consensus.

17. MEMBER REPORTS:

Councilman Adams thinks it is good to have a council member at the weekly Center Creek meetings. He was very glad he was there and he learned a lot. He thinks Wednesdays are a doable day for him. He thinks a rotation basis might be a good idea for the Council.

Councilman Johnson said that they had Power Board Meeting and discussed investigating solar power.

Councilman Weston reported that PAALs talked about two fund raisers at their last meeting. He said the drive in movie last summer was very successful, so they want to do that again. They have also been looking at doing an ATV rodeo. Theater board is producing "1776" this spring.

Councilman Thayer said at Water Board Meeting they received a letter from Mike Chandler about the cost of putting the pump system together. He had high estimates of about \$400,000. He thinks we should investigate to see if we can get a local pump company or engineer to look at this differently and see if they can do it for a lower price. He doesn't understand why there are so many valves involved.

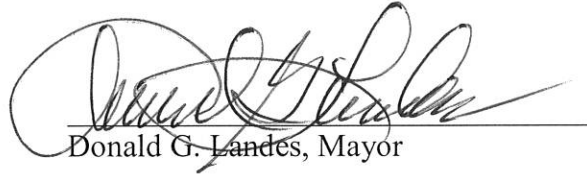
Mr. Scott said he wanted to let the Council know that our budget hearings are coming up. He emailed the schedule to the Council. On February 3rd, the website guy is coming to train people on how to use the website. 3:00 p.m. at the Library.

18. PUBLIC COMMENT & DISCUSSION – TWO MINUTE LIMIT EACH:

Mr. Dennis Gaede asked if the Forebay has been dredged. Mr. Scott says that they have dredged quite a bit of it. It didn't dry well and there is still more work to do on it. Mr. Gaede also asked how long Gold Cross has been billing for the Iron County Ambulance Service. Mr. Scott said it has been several years.

Mr. Bob Whitelaw said he is a member of the Chamber of Commerce. They just switched over their board. Katie Lister is the president, and Mr. Whitelaw is the vice president. They just sent out a notice to their members to vote on business of the year. They have narrowed it down to four businesses: Burton's Chevron, Parowan Café, Monster Ink and Design, and Parowan Dental. He said if anyone would like to vote they can do this at the Visitor's Center. They also just sent out an invitation and membership renewal. He invited everyone to attend the business Chamber brunch on Feb. 4th. The Chamber meeting will be at 9 a.m. followed by the Chamber brunch. This will be at the Visitor's Center.

19. ADJOURN: Councilman Johnson moved to adjourn the meeting. Councilman Weston seconded the motion with all Council members voting in favor of the motion. The meeting was adjourned at 7:34 p.m.



Donald G. Landes, Mayor



Callie Bassett, City Recorder